

I Claim:

1. A method using a computer system for implementing a mortgage plan and preparing mortgage documents specifying payment obligations of a borrower to a lender, the mortgage plan including an equity participation mortgage obligation, comprising the steps of:

inputting data into the computer system regarding the terms of the mortgage, including the principal amount and the amortization period;

using the computer system to calculate annual average principal and periodic payment obligations of the borrower accruing under the mortgage obligation; and

using the computer system to prepare a mortgage document which includes the equity participation mortgage obligation and which specifies that the lender may share in a predetermined percentage of realized appreciation on subsequent sale of the asset which is the subject of the mortgage.

2. The method of Claim 1, further comprising the step of preparing mortgage documents which do not require the borrower to pay interest on the mortgage principal amount.

3. The method of Claim 1, further comprising the step of preparing mortgage documents which permit the sale of the asset in the event of a default in payments by the borrower.

4. The method of Claim 1, further comprising the step of preparing mortgage documents which limit the lender's predetermined percentage of the realized appreciation on the subsequent asset sale to a specified percentage of the total realized appreciation value.

5. The method of Claim 1, further comprising the steps of:

using the computer system to calculate the average mortgage principal outstanding during the amortization period; and

using the computer system to prepare mortgage documents which limit the lender's predetermined percentage of the realized appreciation on the subsequent asset sale to an amount no greater than an amount equal to a predetermined percentage annual return on the average mortgage principal outstanding during the amortization period, plus a specified percentage of the total amortization period return thereafter.

6. The method of Claim 1, further comprising the step of using the computer system to calculate a minimum total return for the lender which may exceed

the predetermined percentage of realized appreciation on the subsequent sale of the asset.

7. The method of Claim 1, wherein the mortgage documents specify a termination date for the mortgage which is synchronous with the sale of the asset subject to the mortgage.

8. The method of Claim 1, wherein the mortgage documents specify that the repayment of any existing principal is synchronized with the sale of the asset subject to the mortgage.

9. The method of Claim 1, wherein the mortgage documents specify that the payment of all obligations owed by the borrower to the lender is synchronized with the sale of the asset subject to the mortgage.

10. A computer system for implementing a mortgage plan and preparing mortgage documents specifying payment obligations of a borrower to a lender, the mortgage plan including an equity participation mortgage obligation, comprising:

at least one computer including a central processing unit and a memory, for receiving data regarding the terms of the mortgage, including the principal amount and the amortization period, within the computer system;

the at least one computer calculating annual average principal and periodic payment obligations of the borrower accruing under the mortgage obligation, and preparing mortgage documents which include the equity participation mortgage obligation and which specify that the lender may share in a predetermined percentage of realized appreciation on subsequent sale of the asset which is the subject of the mortgage.